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INFO RUEHXK/ARAB ISRAELI COLLECTIVE PRIORITY
RHEHNSC/NSC WASHDC PRIORITY
RUEATRS/DEPT OF TREASURY WASHDC PRIORITY
RUEHBS/USEU BRUSSELS PRIORITY

UNCLAS JERUSALEM 001535

SIPDIS

SENSITIVE SIPDIS

NEA FOR FRONT OFFICE; NEA/IPA FOR WILLIAMS/SHAMPAINE/BELRADE; PRM FOR PDAS GREENE AND PRM/ANE; NSC FOR ABRAMS/WATERS; TREASURY FOR SZUBIN/LOEFFLER/NUGENT/HIRSON; BRUSSELS FOR LERNER; PLEASE PASS TO USAID FOR KUNDER/MCCLOUD/BORODIN

E.O. 12958: N/A
TAGS: <u>EAID EAGR ECON KWBG KPAL PHUM PGOV</u>
SUBJECT: MINISTER OF AGRICULTURE REQUESTS MORE US ASSISTANCE

¶1. (SBU) Summary: PA Minister of Agriculture Mahmoud al-Habbash told USAID Mission Director on July 23 that his ministry's efforts are focused on (1) land reclamation; (2) constructing roads for small farmers; and (3) developing water projects. Abu Hassan requested additional funds for Ministry of Agriculture (MOA) programs, stressing that MOA strength is critical to WB/G agricultural development. He said that the MOA in Gaza continues to report to his office in Ramallah. End summary.

Al-Habbash's Plan To Increase Production

¶2. (SBU) USAID Mission Director and EconOff met on July 23 with PA Minister of Agriculture Mahmoud al-Habbash to discuss USAID agricultural programs and the MOA's plan for the agricultural sector. Al-Habbash said he is working to develop a clear strategy for Palestinian agricultural development that aims to increase production. He said he plans to (1) begin programs of land reclamation (reviving soil to its earlier productive capacity); (2) construct roads to facilitate access to markets for small farmers; and (3) develop water projects throughout the West Bank and in Gaza, as current water resources are insufficient for desired growth in the agriculture sector.

Lack Of Technology; Access and Movement

- 13. (SBU) Al-Habbash described two major obstacles to growth faced by Palestinian farmers: the lack of technology and limitations of access and movement. He said that small-scale Palestinian farmers need more advanced farming techniques in water management and soil reclamation to develop their plots of land. Al-Habbash said that the most obvious impediment to success in the agricultural sector is the Israeli closure regime, which seriously impedes access to markets.
- 14. (SBU) The Minister thanked USAID for its on-going programs in the private sector, such as the Palestinian Agribusiness Partnership Activity (PAPA) and its work to improve WB/G food production and quality, but requested additional support to the agriculture sector through the MOA. The Minister asked that the US increase support to MOA in order to reduce poverty and subsequently increase security key ingredients to "taking back Gaza from Hamas."

MOA in Gaza

 $\P5$. (SBU) Al-Habbash noted that MOA Gaza offices continue to report to his office in Ramallah. The MOA Director General of Planning and Policy said that MOA Gaza employees go to work and maintain certain programs to assist small farmers in Gaza.

WALLES